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1955

**REPORT ON AUDIT
OF
PHOENIX AREA OFFICE, PHOENIX, ARIZONA
BUREAU OF INDIAN AFFAIRS
DEPARTMENT OF THE INTERIOR
FOR THE FISCAL YEAR ENDED JUNE 30, 1955**

**UNITED STATES/GENERAL ACCOUNTING OFFICE/
/DIVISION OF AUDITS/**

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and take action as necessary to correct procedures resulting in differences between controls and aggregates of subsidiary records.

24. Banking facilities and services
furnished to Indian tribes

The Ute Indian Tribe at the Uintah and Ouray Agency is using individual Indian money accounts to transact tribal business which includes the disbursement of the tribal payroll. This practice is contrary to the stated policy of the Bureau of Indian Affairs which provides that voluntary deposits shall not be accepted except where required to avoid substantial hardships. (See 25 C.F.R. 221.6.)

The following balances comprised the individual Indian money accounts at the Uintah and Ouray Agency at August 31, 1955.

Tribal funds:	
Ute Indian Tribe	\$ 51,328
Ute Indian Tribe, Revolving Credit Fund	394,679
Ute Indian Tribe, Land Purchase	18,982
Appropriated Ute Tribal Funds	<u>61,927</u>
Total tribal funds	526,916
Individual Indian accounts	<u>209,222</u>
Total individual Indian moneys	<u>\$736,138</u>

Our analysis of transactions for June 1955 showed that cash collections for the Ute Indian Tribe totaled \$22,873, whereas collections for individual Indians amounted to only \$7,161.

While we did not make a complete analysis of the disbursements from the accounts, 689 checks totaling \$85,859 were written in June 1955 on the individual Indian money accounts, of which 186 checks totaling \$14,978 were for payments of the Ute Tribe's payroll. Although the salary of the clerk who handles the individual Indian money accounts is paid from tribal appropriated moneys, the additional expense resulting from the Government's handling of these checks is not borne by the tribe.

Uintah and Ouray Agency officials informed us that two attempts by the Ute Tribe to modify the tribal charter to permit use of private banking facilities were not successful because a majority vote was not attained.

To eliminate the use of individual Indian money accounts for purposes contrary to stated Bureau policy, we recommend that the Area Director make continuing efforts to have the tribe use commercial banking facilities for the transaction of tribal business.